

CANADA

SUPERIOR COURT

PROVINCE OF QUÉBEC  
DISTRICT OF MONTRÉAL

**Commercial Division**  
(Sitting as a court designated pursuant to *the  
Bankruptcy and Insolvency Act*, R.S.C. 1985,  
c. B-3)

---

No: 500-11-045763-139

IN THE MATTER OF THE PROPOSAL OF:  
  
ING HARILELA HOTELS LTD.

Debtor/Petitioner

-and-

SAMSON BELAIR / DELOITTE & TOUCHE  
INC.

Trustee

---

**FINAL MOTION FOR AN EXTENSION OF TIME TO FILE A PROPOSAL**  
(Section 50.4(9) of the *Bankruptcy and Insolvency Act* (the "BIA"))

---

TO ONE OF THE HONOURABLE JUDGES OF THE SUPERIOR COURT OR THE REGISTRAR, SITTING IN COMMERCIAL DIVISION, IN AND FOR THE JUDICIAL DISTRICT OF MONTREAL, THE DEBTOR/PETITIONER RESPECTFULLY SUBMITS THE FOLLOWING:

**INTRODUCTION**

1. The Debtor/Petitioner, IHG Harilela Hotels Ltd. (the "**Debtor**") seeks an order extending the time for the filing of a proposal from May 8, 2014 until **May 28, 2014**, for the reasons more fully explained below.

**FACTUAL BACKGROUND**

2. The Debtor operates a hotel located at 7880 chemin de la Côte-de-Liesse in the City of Montreal (the "**Hotel**").
3. The Debtor operates the Hotel under the banner "Hilton Garden Inn" pursuant to a Franchise License Agreement (the "**Franchise Agreement**") between the Debtor and HLT Existing Franchise Holding LLC ("**Hilton**").
4. The Debtor currently employs approximately 80 employees.
5. Computershare Trust Company of Canada ("**Computershare**") is the sole secured creditor of the Debtor pursuant to a term loan executed as of September 21, 2005.

6. The amount currently owed to Computershare by the Debtor is approximately \$10,000,000 (the "**Loan Agreement**").
7. The Debtor does not have any operating lender.
8. On November 14, 2013, Hilton advised the Debtor that it intended to terminate the Franchise Agreement on January 1, 2014 (the "**Termination Notice**").
9. On November 19, 2013, Computershare issued, *inter alia*, a demand letter and a notice under section 244 of the *BIA* alleging that the Termination Notice was a default under the Loan Agreement.
10. On November 29, 2013, the Debtor filed with the Official Receiver a Notice of Intention to File a Proposal (the "**NOI**") pursuant to section 50.4 of the *BIA*, and Samson Belair / Deloitte & Touche Inc. (the "**Trustee**") was appointed trustee, the whole as appears from the Court record.
11. The time for the filing a proposal has been extended, with the most recent extension set to expire on May 8, 2014, as appears from the Court record.

#### **EXTENSION OF TIME**

12. Since the filing of the Notice, the Debtor, with the assistance of its advisors and the Trustee, have been discussing and meeting with various interested parties in order to create a viable plan for the restructuring of the Debtor's operations.
13. For instance, the Debtor has reached :
  - (a) an agreement with Hilton pursuant to which the termination of the Franchise Agreement will be extended until July 2, 2014; and
  - (b) a Forbearance Agreement with Computershare.
14. Said agreements provide some stability to the Debtor's operations.
15. Also, since the last extension, there has been a change of control of the Debtor, pursuant to which Daulat Dipshan, Nalisha Dipshan, Shivaun Dipshan, Ricci Dipshan and Aurum Dipshan sold their interest in the Debtor to Dr. Aron Harilela ("**Dr. Harilela**"), to give Dr. Harilela a 100% ownership interest in the Debtor.
16. Dr. Harilela is a well-known investor with a particular expertise and renown in the hotel industry. Dr. Harilela and his family also own the nearby Quality Hotel Dorval, as well as several other hotels in Asia and Europe.
17. The Debtor, now under the control of Dr. Harilela, is considering all options, including the possibility of selling the Hotel.
18. The Debtor, with the assistance of Dr. Harilela, has retained the services of Colliers International ("**Colliers**"), a firm with an expertise in commercial real estate transactions, in order to market the Hotel, solicit interest and obtain bids from potential purchasers.
19. The Debtor has started to receive offers for the Hotel and is currently reviewing such offers.



20. In any case, the Debtor will be in the position to file a proposal before the expiry of the extension sought herein.
21. The Debtor seeks this extension in order to allow the Debtor's efforts to bear fruit, so as to enable the Debtor file a viable proposal in due course that will satisfy its unsecured creditors.
22. The Debtor and the Trustee consider that the Debtor should be able to make a viable proposal if the extension is granted.
23. A copy of the Debtor's cash-flow statement and a copy of the report on the state of the Debtor's business and financial affairs will be filed by the Trustee.

### **CONCLUSIONS**

24. If the extension is granted, the Debtor and the Trustee do not believe that any creditor will be materially prejudiced.
25. On the contrary, if the extension is not granted and the Debtor become bankrupt, a significant prejudice will be suffered by all of the Debtor's stakeholders, including creditors and employees.
26. The Debtor has acted in good faith and with due diligence.
27. The present motion is well founded in fact and in law.

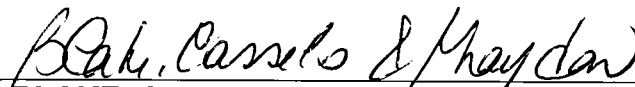
### **FOR THESE REASONS, MAY IT PLEASE THE COURT TO:**

**GRANT** the present *Final Motion for an Extension of Time to File a Proposal*;

**EXTEND** until May 28, 2014 the delay granted to IHG Harilela Hotels Ltd. to file its proposal with the Official Receiver.

**THE WHOLE**, with costs to follow.

Montréal, May 5, 2014



---

**BLAKE, CASSELS & GRAYDON LLP**  
Attorneys for the Debtor/Petitioner  
IHG Harilela Hotels Ltd.

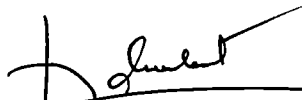


**AFFIDAVIT**

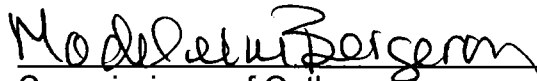
I, the undersigned, Daulat Dipshan, businessman, exercising my occupation at 7880 chemin de la Côte-de-Liesse, in the City of Montreal, solemnly declare the following:

1. I am the President of the Debtor/Petitioner herein and I am duly authorized for the purposes hereof;
2. I have taken cognizance of the attached *Final Motion for an Extension of Time to File a Proposal*;
3. All the facts alleged in the said motion are true.

AND I HAVE SIGNED:

  
\_\_\_\_\_  
DAULAT DIPSHAN

Solemnly affirmed before me in Montreal,  
this 16 th day of May 2014

  
\_\_\_\_\_  
Commissioner of Oaths



**NOTICE OF PRESENTATION**

**TO:** M<sup>re</sup> Martin Desrosiers  
**Osler, Hoskin & Harcourt LLP**  
1000 de la Gauchetière Street West  
Suite 2100  
Montréal (Québec) H3B 4W5

*Attorneys for HLT Existing Franchise  
Holding LLC*

Mr. Benoît Clouâtre  
**Samson Bélair / Deloitte & Touche Inc.**  
1, Place Ville-Marie  
Suite 3000  
Montréal (Québec) H3B 4T9

*Trustee*

M<sup>re</sup> Joseph Reynaud  
**Stikeman Elliott LLP**  
1155, René-Lévesque Blvd. West  
Suite 4000  
Montréal (Québec) H3B 3V2

*Attorneys for Computershare Trust  
Company of Canada*

**TAKE NOTICE** that the Debtor/Petitioner's *Final Motion for an Extension of Time to File a Proposal* will be presented for decision before the Superior Court, Commercial Division, sitting in and for the District of Montreal on **Thursday, May 8, 2014**, at 9:00 a.m., at 1 Notre-Dame Street East in Montreal, Quebec in room **16.10**, or as soon thereafter as counsel may be heard.

**DO GOVERN YOURSELVES ACCORDINGLY.**

Montréal, May 5, 2014

  
\_\_\_\_\_  
**BLAKE, CASSELS & GRAYDON LLP**  
Attorneys for the Debtor/Petitioner  
IHG Harilela Hotels Ltd.

N°: 500-11-045763-139

---

**SUPERIOR COURT**  
(Commercial Division)  
**DISTRICT OF MONTREAL**

---

**IN THE MATTER OF THE PROPOSAL OF:  
ING HARILELA HOTELS LTD.**

Debtor/Petitioner

-and-

**SAMSON BÉLAIR / DELOITTE & TOUCHE INC.**

Trustee

---

**FINAL MOTION FOR AN EXTENSION OF TIME  
TO FILE A PROPOSAL  
(Section 50.4(9) BIA)**

---

**ORIGINAL**

---

**M<sup>re</sup> Adam T. Spiro** **BB-8098**  
**BLAKE, CASSELS & GRAYDON LLP**  
Barristers & Solicitors  
600 de Maisonneuve Blvd. West  
Suite 2200  
Montréal, Québec H3A 3J2  
Telephone: 514-982-5074  
Fax: 514-982-4099  
Email: adam.spiro@blakes.com  
Our File: 201987-1

The logo for the law firm Blakes, featuring the name in a stylized, cursive script.